SENATE AMENDMENTS

2nd Printing

By: Davis of Dallas, Rose

H.B. No. 2025

A BILL TO BE ENTITLED

1	AN ACT
2	relating to staffing requirements for certain facilities that
3	provide care to persons with Alzheimer's disease or related
4	disorders; authorizing an administrative penalty.
5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
6	SECTION 1. Section 242.0665(b), Health and Safety Code, is
7	amended to read as follows:
8	(b) Subsection (a) does not apply:
9	(1) to a violation that the department determines:
10	(A) results in serious harm to or death of a
11	resident;
12	(B) constitutes a serious threat to the health or
13	safety of a resident; or
14	(C) substantially limits the institution's
15	capacity to provide care;
16	(2) to a violation described by Sections
17	242.066(a)(2)-(7);
18	(3) to a violation of Section 260A.014 or 260A.015;
19	[or]
20	(4) to a violation of a right of a resident adopted
21	under Subchapter L <u>; or</u>
22	(5) to a second or subsequent violation of Section
23	326.002 that occurs before the second anniversary of the date of the

24 first violation.

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H.B. No. 2025
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- 1 SECTION 2. Section 247.0452(b), Health and Safety Code, is
- 2 amended to read as follows:
- 3 (b) Subsection (a) does not apply:
- 4 (1) to a violation that the department determines
- 5 results in serious harm to or death of a resident;
- 6 (2) to a violation described by Sections
- 7 247.0451(a)(2)-(7) or a violation of Section 260A.014 or 260A.015;
- 8 (3) to a second or subsequent violation of:
- 9 (A) a right of the same resident under Section
- 10 247.064; or
- 11 (B) the same right of all residents under Section
- 12 247.064; [or]
- 13 (4) to a violation described by Section 247.066, which
- 14 contains its own right to correct provisions; or
- 15 (5) to a second or subsequent violation of Section
- 16 326.002 that occurs before the second anniversary of the date of the
- 17 first violation.
- SECTION 3. Subtitle G, Title 4, Health and Safety Code, is
- 19 amended by adding Chapter 326 to read as follows:
- 20 CHAPTER 326. STAFFING REQUIREMENTS FOR FACILITIES PROVIDING CARE TO
- 21 PERSONS WITH ALZHEIMER'S DISEASE OR RELATED DISORDERS
- Sec. 326.001. DEFINITIONS. In this chapter:
- 23 (1) "Commission" means the Health and Human Services
- 24 Commission.
- 25 (2) "Facility" means:
- 26 (A) a nursing facility licensed under Chapter
- 27 242;

- H.B. No. 2025 1 (B) a continuing care facility regulated under 2 Chapter 246; 3 (C) an assisted living facility licensed under 4 Chapter 247; 5 (D) a day activity and health services facility licensed under Chapter 103, Human Resources Code; 6 7 (E) an establishment subject to Chapter 105, 8 Human Resources Code; (F) a community home qualified under Chapter 123, 9 10 Human Resources Code; and 11 (G) an adult foster care provider that contracts 12 with the commission. Sec. 326.002. WRITTEN POLICY REQUIRED. A facility shall 13 14 adopt, implement, and enforce a written policy that: 15 (1) requires a facility employee who provides direct care to a person with Alzheimer's disease or a related disorder to 16 17 successfully complete training in the provision of care to persons with Alzheimer's disease and related disorders; and 18 19 (2) ensures the care and services provided by a facility employee to a person with Alzheimer's disease or a related 20 disorder meet the specific identified needs of the person relating 21 to the person's diagnosis of Alzheimer's disease or a related 22
- Sec. 326.003. ENFORCEMENT. (a) The commission may assess
- 25 an administrative penalty against a facility for a violation of
- 26 Section 326.002.

disorder.

23

27 (b) The commission is not required to provide a facility an

- 1 opportunity to correct a second or subsequent violation of Section
- 2 326.002 that occurs before the second anniversary of the date of the
- 3 first violation.
- 4 (c) A violation of Section 326.002 constitutes a violation
- 5 of the law regulating a facility, and the commission may initiate
- 6 for the violation any other enforcement action authorized by that
- 7 law against the facility, including an adult foster care facility
- 8 with three or fewer beds.
- 9 Sec. 326.004. RULES. The executive commissioner shall
- 10 adopt rules related to the administration and implementation of
- 11 this chapter.
- 12 SECTION 4. Section 103.013(b), Human Resources Code, is
- 13 amended to read as follows:
- 14 (b) Subsection (a) does not apply to:
- 15 (1) a violation that the department determines:
- 16 (A) results in serious harm to or death of a
- 17 person attending the facility;
- 18 (B) constitutes a serious threat to the health
- 19 and safety of a person attending the facility; or
- 20 (C) substantially limits the facility's capacity
- 21 to provide care;
- 22 (2) a violation described by Sections
- 23 103.012(a)(2)-(7); [or]
- 24 (3) a violation of Section 103.011; or
- 25 (4) a second or subsequent violation of Section
- 26 326.002 that occurs before the second anniversary of the date of the
- 27 first violation.

H.B. No. 2025

- 1 SECTION 5. Chapter 326, Health and Safety Code, as added by
- 2 this Act, does not affect the terms of a contract entered into
- 3 before the effective date of this Act, except that if the contract
- 4 is renewed, modified, or extended on or after the effective date of
- 5 this Act, Chapter 326 applies to the contract beginning on the date
- 6 of renewal, modification, or extension.
- 7 SECTION 6. This Act takes effect September 1, 2017.

By: Nove Secretary of the Senate
Substitute the following for H.B. No. 2 = 25:
By:

A BILL TO BE ENTITLED

1 AN ACT

- relating to the regulation of certain long-term care facilities,
- including facilities that provide care to persons with Alzheimer's
- disease or related disorders; authorizing an administrative
- 5 penalty.
- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 6
- 7 SECTION 1. Sections 531.058(a) and (a-1), Government Code,
- are amended to read as follows: 8
- (a) The executive commissioner by rule shall establish an 9
- 10 informal dispute resolution process in accordance with this
- 11 The process must provide for adjudication by an
- 12 appropriate disinterested person of disputes relating to a proposed
- 13 enforcement action or related proceeding of the commission under
- Section 32.021(d), Human Resources Code, or the Department of Aging 14
- and Disability Services or its successor agency under Chapter 242, 15
- 16 247, or 252, Health and Safety Code. The informal dispute
- resolution process must require: 17
- (1) an institution or facility to request informal 18
- 19 dispute resolution not later than the 10th calendar day after
- 20 notification by the commission or department, as applicable, of the
- violation of a standard or standards; and 21
- 22 (2) the commission to complete the process not later
- 23 than:
- 24 (A) the 30th calendar day after receipt of a

- 1 request from an institution or facility, other than an assisted
- 2 living facility, for informal dispute resolution; or
- 3 (B) the 90th calendar day after receipt of a
- 4 request from an assisted living facility for informal dispute
- 5 resolution.
- 6 (a-1) As part of the informal dispute resolution process
- 7 established under this section, the commission shall contract with
- 8 an appropriate disinterested person [who is a nonprofit
- 9 organization to adjudicate disputes between an institution or
- 10 facility licensed under Chapter 242 or 247, Health and Safety Code,
- 11 and the Department of Aging and Disability Services or its
- 12 <u>successor agency</u> concerning a statement of violations prepared by
- 13 the department in connection with a survey conducted by the
- 14 department of the institution or facility. Section 2009.053 does
- 15 not apply to the selection of an appropriate disinterested person
- 16 under this subsection. The person with whom the commission
- 17 contracts shall adjudicate all disputes described by this
- 18 subsection.
- 19 SECTION 2. Subchapter B, Chapter 531, Government Code, is
- 20 amended by adding Section 531.0585 to read as follows:
- 21 Sec. 531.0585. ISSUANCE OF MATERIALS TO CERTAIN LONG-TERM
- 22 CARE FACILITIES. The executive commissioner shall review the
- 23 <u>commission's methods for issuing informational letters, policy</u>
- 24 updates, policy clarifications, and other related materials to an
- 25 <u>entity licensed under Chapter 103, Human Resources Code, or Chapter</u>
- 26 <u>242</u>, <u>247</u>, <u>248A</u>, or <u>252</u>, Health and Safety Code, and develop and
- 27 <u>implement more efficient methods to issue those materials as</u>

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1 appropriate.
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- 2 SECTION 3. Section 242.066, Health and Safety Code, is
- 3 amended by amending Subsections (a) and (e) and adding Subsection
- 4 (i) to read as follows:
- 5 (a) The commission [department] may assess an
- 6 administrative penalty against a person who:
- 7 (1) violates this chapter or a rule, standard, or
- 8 order adopted or license issued under this chapter;
- 9 (2) makes a false statement, that the person knows or
- 10 should know is false, of a material fact:
- 11 (A) on an application for issuance or renewal of
- 12 a license or in an attachment to the application; or
- 13 (B) with respect to a matter under investigation
- 14 by the commission [department];
- 15 (3) refuses to allow a representative of the
- 16 commission [department] to inspect:
- 17 (A) a book, record, or file required to be
- 18 maintained by an institution; or
- 19 (B) any portion of the premises of an
- 20 institution;
- 21 (4) wilfully interferes with the work of a
- 22 representative of the $\underline{\text{commission}}$ [$\underline{\text{department}}$] or the enforcement of
- 23 this chapter;
- 24 (5) wilfully interferes with a representative of the
- 25 <u>commission</u> [department] preserving evidence of a violation of this
- 26 chapter or a rule, standard, or order adopted or license issued
- 27 under this chapter;

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1 (6) fails to pay a penalty assessed by the <u>commission</u>
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2 [department] under this chapter not later than the 10th day after

- 3 the date the assessment of the penalty becomes final; or
- 4 (7) fails to notify the <u>commission</u> [department] of a
- 5 change of ownership before the effective date of the change of
- 6 ownership.
- 7 (e) In determining the amount of a penalty, the commission
- 8 [department] shall consider any matter that justice may require,
- 9 including:
- 10 (1) the gradations of penalties established under
- 11 Subsection (d);
- 12 (2) the seriousness of the violation, including the
- 13 nature, circumstances, extent, and gravity of the prohibited act
- 14 and the hazard or potential hazard created by the act to the health
- 15 or safety of the public;
- 16 (3) the history of previous violations;
- 17 (4) deterrence of future violations; and
- 18 (5) efforts to correct the violation.
- (i) The commission shall develop and use a system to record
- 20 and track the scope and severity of each violation of this chapter
- 21 or a rule, standard, or order adopted under this chapter for the
- 22 purpose of assessing an administrative penalty for the violation or
- 23 taking some other enforcement action against the appropriate
- 24 institution to deter future violations. The system:
- 25 (1) must be comparable to the system used by the
- 26 Centers for Medicare and Medicaid Services to categorize the scope
- 27 and severity of violations for nursing homes; and

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1
               (2) may be modified, as appropriate, to reflect
    changes in industry practice or changes made to the system used by
 2
 3
    the Centers for Medicare and Medicaid Services.
          SECTION 4. Section 242.0665, Health and Safety Code, is
 4
    amended to read as follows:
 5
          Sec. 242.0665. RIGHT TO CORRECT. (a) The commission
 6
 7
    [department] may not collect an administrative penalty against an
    institution under this subchapter if, not later than the 45th day
 8
    after the date the institution receives notice under Section
 9
    242.067(c), the institution corrects the violation.
10
         (b) Subsection (a) does not apply:
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12
              (1) to a violation that the <u>commission</u> [department]
13
    determines:
14
                    (A) represents a pattern of violation that
    results in <u>actual</u> [serious] harm [to or death of a resident];
15
16
                    (B) is widespread in scope and results in actual
17
   harm;
18
                    (C) is widespread in scope, constitutes a
   potential for actual harm, and relates to:
19
20
                         (i) residents' rights;
21
                         (ii) treatment of residents;
                         (iii) resident behavior and institution
22
23
   practices;
24
                         (iv) quality of care;
25
                         (v) medication errors;
                         (vi) standard menus and nutritional
26
27
   adequacy;
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(vii) physician visits;
                         (viii) infection control;
2
                         (ix) life safety from fire; or
3
                         (x) emergency preparedness and response;
4
                    (D) [(B)] constitutes an immediate [a serious]
5
   threat to the health or safety of a resident; or
6
                    (E) [(C)] substantially limits the institution's
7
   capacity to provide care;
8
                             violation
                                           described
                                                      bу
                                                             Sections
9
               (2) to
                         а
   242.066(a)(2)-(7);
10
               (3) to a violation of Section 260A.014 or 260A.015;
11
    [\frac{\mathbf{or}}{\mathbf{I}}]
12
               (4) to a violation of a right of a resident adopted
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   under Subchapter L; or
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               (5) to a second or subsequent violation of Section
15
    326.002 that occurs before the second anniversary of the date of the
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17
   first violation.
                  institution that corrects a violation under
          (c) An
18
    Subsection (a) must maintain the correction. If the institution
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    fails to maintain the correction until at least the first
20
    anniversary of the date the correction was made, the commission
21
    [department] may assess an administrative penalty under this
22
    subchapter for the subsequent violation. A penalty assessed under
23
    this subsection shall be equal to three times the amount of the
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    penalty assessed but not collected under Subsection (a).
25
    commission [department] is not required to provide the institution
26
    an opportunity to correct the subsequent violation under this
27
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1 section.
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- 2 <u>(d) In this section:</u>
- 3 (1) "Actual harm" means a negative outcome that
- 4 compromises a resident's physical, mental, or emotional
- 5 well-being.
- 6 (2) "Immediate threat to the health or safety of a
- 7 resident" means a situation that causes, or is likely to cause,
- 8 serious injury, harm, or impairment to or the death of a resident.
- 9 (3) "Pattern of violation" means repeated, but not
- 10 pervasive, failures of an institution to comply with this chapter
- or a rule, standard, or order adopted under this chapter that:
- (A) result in a violation; and
- 13 (B) are found throughout the services provided by
- 14 the institution or that affect or involve the same residents or
- 15 <u>institution</u> employees.
- 16 (4) "Widespread in scope" means a violation of this
- 17 chapter or a rule, standard, or order adopted under this chapter
- 18 that:
- (A) is pervasive throughout the services
- 20 provided by the institution; or
- (B) represents a systemic failure by the
- 22 <u>institution</u> that affects or has the potential to affect a large
- 23 portion of or all of the residents of the institution.
- SECTION 5. Section 247.023, Health and Safety Code, is
- 25 amended to read as follows:
- Sec. 247.023. ISSUANCE AND RENEWAL OF LICENSE. (a) The
- 27 <u>commission</u> [department] shall issue a license if, after inspection

- and investigation, it finds that the applicant, the assisted living 1 facility, and all controlling persons with respect to the applicant 2 or facility meet the requirements of this chapter and the standards 3 adopted under this chapter. The license expires on the third 4 [second] anniversary of the date of its issuance. The executive 5 commissioner by rule shall [may] adopt a system under which 6 licenses expire on staggered [various] dates during each three-year 7 [the two-year] period. The commission shall prorate the license 8 fee as appropriate if the expiration date of a license changes as a 9 result of this subsection [For the year in which a license 10 expiration date is changed, the department shall prorate the 11 license fee on a monthly basis. Each license holder shall pay only 12 that portion of the license fee allocable to the number of months 13 during which the license is valid. A license holder shall pay the 14
- 16 (b) To renew a license, the license holder must submit to
 17 the commission [department] the license renewal fee.

total license renewal fee at the time of renewal].

- (c) The <u>commission</u> [department] may require participation in a continuing education program as a condition of renewal of a license. The executive commissioner shall adopt rules to implement this subsection.
- SECTION 6. Sections 247.024(a), (d), and (e), Health and Safety Code, are amended to read as follows:
- (a) The executive commissioner by rule shall set license fees imposed by this chapter:
- 26 (1) on the basis of the number of beds in assisted 27 living facilities required to pay the fee; and

- 1 (2) in amounts reasonable and necessary to defray the
- 2 cost of administering this chapter, but not to exceed \$2,250
- 3 [\$1,500].
- 4 (d) Investigation fees or attorney's fees may not be
- 5 assessed against or collected from an assisted living facility by
- 6 or on behalf of the commission [department] or another state agency
- 7 unless the $\underline{\text{commission}}$ [$\underline{\text{department}}$] or other state agency assesses
- 8 and collects a penalty authorized by this chapter from the
- 9 facility.
- 10 (e) An applicant who submits a license renewal later than
- 11 the 45th day before the expiration date of a current license is
- 12 subject to a late fee in accordance with commission [department]
- 13 rules.
- SECTION 7. Section 247.027, Health and Safety Code, is
- 15 amended to read as follows:
- Sec. 247.027. INSPECTIONS. (a) In addition to the
- 17 inspection required under Section 247.023(a), the commission:
- 18 <u>(1) shall [department may]</u> inspect <u>each [an]</u> assisted
- 19 living facility at least every two years following the initial
- 20 <u>inspection required under Section 247.023(a); [annually]</u> and
- 21 (2) may inspect a facility at other reasonable times
- 22 as necessary to assure compliance with this chapter.
- 23 (b) The <u>commission</u> [department] shall establish an
- 24 inspection checklist based on the minimum standards that describes
- 25 the matters subject to inspection. The <u>commission</u> [department]
- 26 shall use the inspection checklist in conducting inspections under
- 27 this section and Section 247.023(a).

- 1 SECTION 8. Section 247.0451, Health and Safety Code, is
- 2 amended by amending Subsections (a), (b), (d), and (f) and adding
- 3 Subsections (g) and (h) to read as follows:
- 4 (a) The <u>commission</u> [<u>department</u>] may assess an
- 5 administrative penalty against a person who:
- 6 (1) violates this chapter or a rule, standard, or
- 7 order adopted under this chapter or a term of a license issued under
- 8 this chapter;
- 9 (2) makes a false statement, that the person knows or
- 10 should know is false, of a material fact:
- 11 (A) on an application for issuance or renewal of
- 12 a license or in an attachment to the application; or
- 13 (B) with respect to a matter under investigation
- 14 by the commission [department];
- 15 (3) refuses to allow a representative of the
- 16 commission [department] to inspect:
- 17 (A) a book, record, or file required to be
- 18 maintained by an assisted living facility; or
- 19 (B) any portion of the premises of an assisted
- 20 living facility;
- 21 (4) wilfully interferes with the work of a
- 22 representative of the <u>commission</u> [department] or the enforcement of
- 23 this chapter;
- 24 (5) wilfully interferes with a representative of the
- 25 commission [department] preserving evidence of a violation of this
- 26 chapter or a rule, standard, or order adopted under this chapter or
- 27 a term of a license issued under this chapter;

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1
                  fails to pay a penalty assessed under this chapter
2
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- not later than the 30th day after the date the assessment of the
- 3 penalty becomes final; or
- 4 (7) fails to notify the commission [department] of a
- 5 change of ownership before the effective date of the change of
- ownership. 6
- (b) Except as provided by Section 247.0452(c), the penalty 7
- may not exceed: 8
- 9 (1) \$5,000 for each violation that:
- 10 (A) represents a pattern of violation that
- results in actual harm or is widespread in scope and results in 11
- actual harm; or 12
- 13 (B) constitutes an immediate threat to the health
- or safety of a resident; or 14
- (2) \$1,000 for each other violation. 15
- (d) In determining the amount of a penalty, the commission 16
- [department] shall consider any matter that justice may require, 17
- but must consider each of the following and make a record of the 18
- 19 extent to which each of the following was considered:
- 20 (1) the gradations of penalties established under
- 21 Subsection (c);
- 22 (2) the seriousness of the violation, including the
- 23 nature, circumstances, extent, and gravity of the prohibited act
- and the hazard or potential hazard created by the act to the health 24
- 25 or safety of the public;
- 26 the history of previous violations; (3)
- 27 deterrence of future violations;

- 1 (5) efforts to correct the violation; and
- 2 (6) the size of the facility and of the business entity
- 3 that owns the facility.
- 4 (f) The commission [department] may not assess a penalty
- 5 under this section against a resident of an assisted living
- 6 facility unless the resident is also an employee of the facility or
- 7 a controlling person.
- 8 (g) The commission shall develop and use a system to record
- 9 and track the scope and severity of each violation of this chapter
- 10 or a rule, standard, or order adopted under this chapter for the
- 11 purpose of assessing an administrative penalty for the violation or
- 12 taking some other enforcement action against the appropriate
- 13 assisted living facility to deter future violations. The system:
- (1) must be comparable to the system used by the
- 15 Centers for Medicare and Medicaid Services to categorize the scope
- 16 and severity of violations for nursing homes; and
- 17 (2) may be modified, as appropriate, to reflect
- 18 changes in industry practice or changes made to the system used by
- 19 the Centers for Medicare and Medicaid Services.
- (h) In this section, "actual harm," "immediate threat to the
- 21 health or safety of a resident," "pattern of violation," and
- 22 "widespread in scope" have the meanings assigned by Section
- 23 247.0452.
- SECTION 9. Section 247.0452, Health and Safety Code, is
- 25 amended to read as follows:
- Sec. 247.0452. RIGHT TO CORRECT. (a) The commission
- 27 [department] may not collect an administrative penalty from an

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assisted living facility under Section 247.0451 if, not later than
    the 45th day after the date the facility receives notice under
 3
    Section 247.0453(c), the facility corrects the violation.
 4
          (b) Subsection (a) does not apply:
 5
                (1) to a violation that the commission [department]
    determines represents a pattern of violation that results in actual
 6
 7
    [serious] harm [to or death of a resident];
 8
               (2) to a violation that the commission determines is
 9
    widespread in scope and results in actual harm;
10
               (3) to a violation that the commission determines is
11
    widespread in scope, constitutes a potential for actual harm, and
    relates to:
12
13
                     (A) resident assessment;
14
                     (B)
                          staffing, including staff training;
15
                     (C) administration of medication;
16
                     (D) infection control;
17
                     (E) restraints; or
18
                     (F) emergency preparedness and response;
19
               (4) to a violation that the commission determines
    constitutes an immediate threat to the health or safety of a
20
21
    resident;
22
                               a violation described by Sections
               (5) \left[\frac{(2)}{(2)}\right] to
    247.0451(a)(2)-(7) or a violation of Section 260A.014 or 260A.015;
23
24
               (6) (3) to a second or subsequent violation of:
25
                          a right of the same resident under Section
26
    247.064; or
27
                     (B) the same right of all residents under Section
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- 1 247.064; [or]
- 2 (7) [(4)] to a violation described by Section 247.066,
- 3 which contains its own right to correct provisions; or
- (8) to a second or subsequent violation of Section
- 5 326.002 that occurs before the second anniversary of the date of the
- 6 first violation.
- 7 (c) An assisted living facility that corrects a violation
- 8 must maintain the correction. If the facility fails to maintain the
- 9 correction until at least the first anniversary of the date the
- 10 correction was made, the commission [department] may assess and
- 11 collect an administrative penalty for the subsequent violation. An
- 12 administrative penalty assessed under this subsection is equal to
- 13 three times the amount of the original penalty assessed but not
- 14 collected. The commission [department] is not required to provide
- 15 the facility with an opportunity under this section to correct the
- 16 subsequent violation.
- 17 (d) In this section:
- (1) "Actual harm" means a negative outcome that
- 19 compromises a resident's physical, mental, or emotional
- 20 well-being.
- (2) "Immediate threat to the health or safety of a
- 22 resident" means a situation that causes, or is likely to cause,
- 23 serious injury, harm, or impairment to or the death of a resident.
- 24 (3) "Pattern of violation" means repeated, but not
- 25 pervasive, failures of an assisted living facility to comply with
- 26 this chapter or a rule, standard, or order adopted under this
- 27 chapter that:

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1
                      (A) result in a violation; and
 2
                      (B) are found throughout the services provided by
    the facility or that affect or involve the same residents or
 3
 4
    facility employees.
 5
                (4) "Widespread in scope" means a violation of this
 6
    chapter or a rule, standard, or order adopted under this chapter
 7
    that:
 8
                      (A) is pervasive throughout the services
 9
    provided by the assisted living facility; or
10
                      (B) represents a systemic failure by the assisted
    living facility that affects or has the potential to affect a large
11
    portion of or all of the residents of the facility.
12
13
           SECTION 10. Section 248A.053, Health and Safety Code, is
    amended to read as follows:
14
           Sec. 248A.053. INITIAL OR RENEWAL LICENSE TERM; RENEWAL;
15
    NOTIFICATION. (a) An initial or renewal license issued under this
16
    chapter expires on the \underline{\text{third}} [\underline{\text{second}}] anniversary of the date of
17
18
    issuance. The executive commissioner by rule shall adopt a system
19
    under which licenses expire on staggered dates during each
    three-year period. The commission shall prorate the license fee as
20
    appropriate if the expiration date of a license changes as a result
21
22
    of this subsection.
23
           (b) A person applying to renew a center license shall:
24
                (1) submit a renewal application to the commission
    [\frac{\text{department}}] on \underline{a} [\frac{\text{the form}}] prescribed \underline{\text{form}} [\frac{\text{by the department}}] at
25
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license;

26

27

least 60 days but not more than 120 days before expiration of the

- 1 (2) submit the renewal fee in the amount required by
- 2 agency [department] rule; and
- 3 (3) comply with any other requirements specified by
- 4 agency [department] rule.
- 5 (c) The commission [department] shall assess a \$50 per day
- 6 late fee to a license holder who submits a renewal application after
- 7 the date required by Subsection (b)(1), except that the total
- 8 amount of a late fee may not exceed the lesser of 50 percent of the
- 9 license renewal fee or \$500.
- 10 (d) At least 120 days before expiration of a center license,
- 11 the commission [department] shall notify the owner or operator of
- 12 the center of the license expiration.
- SECTION 11. Subchapter F, Chapter 248A, Health and Safety
- 14 Code, is amended by adding Section 248A.2515 to read as follows:
- Sec. 248A.2515. SYSTEM FOR ASSESSMENT OF PENALTY. The
- 16 commission shall develop and use a system to record and track the
- 17 scope and severity of each violation of this chapter or a rule or
- 18 standard adopted or order issued under this chapter for the purpose
- 19 of assessing an administrative penalty for the violation or taking
- 20 some other enforcement action against the appropriate center to
- 21 deter future violations. The system:
- (1) must be comparable to the system used by the
- 23 Centers for Medicare and Medicaid Services to categorize the scope
- 24 and severity of violations for nursing homes; and
- (2) may be modified, as appropriate, to reflect
- 26 changes in industry practice or changes made to the system used by
- 27 the Centers for Medicare and Medicaid Services.

- 1 SECTION 12. Sections 252.033(a), (b), (d), (f), and (h),
- 2 Health and Safety Code, are amended to read as follows:
- 3 (a) After receiving the application, the commission
- 4 [department] shall issue a license if, after inspection and
- 5 investigation, it finds that the applicant and facility meet the
- 6 requirements established under this chapter.
- 7 (b) The <u>commission</u> [department] may issue a license only
- 8 for:
- 9 (1) the premises and persons or governmental unit
- 10 named in the application; and
- 11 (2) the maximum number of beds specified in the
- 12 application.
- (d) A license is renewable on the third [second] anniversary
- 14 of issuance or renewal of the license after:
- 15 (1) an inspection;
- 16 (2) filing and approval of a renewal report; and
- 17 (3) payment of the renewal fee.
- (f) The <u>commission</u> [<u>department</u>] may not issue a license for
- 19 new beds or an expansion of an existing facility under this chapter
- 20 unless the addition of new beds or the expansion is included in the
- 21 plan approved by the commission in accordance with Section
- 22 533A.062.
- (h) The executive commissioner by rule shall:
- 24 <u>(1)</u> define specific, appropriate, and objective
- 25 criteria on which the commission [department] may deny an initial
- 26 license application or license renewal or revoke a license; and
- 27 (2) adopt a system under which:

- 1 (A) licenses expire on staggered dates during
- 2 each three-year period; and
- 3 (B) the commission prorates the license fee as
- 4 appropriate if the expiration date of a license changes as a result
- 5 of the system adopted under Paragraph (A).
- SECTION 13. Sections 252.034(a), (e), and (f), Health and
- 7 Safety Code, are amended to read as follows:
- 8 (a) The executive commissioner by rule may adopt a fee for a
- 9 license issued under this chapter. The fee may not exceed \$225
- 10 [\$150] plus \$7.50 [\$5] for each unit of capacity or bed space for
- 11 which the license is sought.
- (e) All license fees collected under this section shall be
- 13 deposited in the state treasury to the credit of the commission
- 14 [department] and may be appropriated to the commission [department]
- 15 to administer and enforce this chapter.
- 16 (f) An applicant who submits an application for license
- 17 renewal later than the 45th day before the expiration date of a
- 18 current license is subject to a late fee in accordance with
- 19 commission [department] rules.
- 20 SECTION 14. Section 252.041, Health and Safety Code, is
- 21 amended to read as follows:
- Sec. 252.041. UNANNOUNCED INSPECTIONS. (a) Each
- 23 licensing period, the commission [department] shall conduct at
- 24 least three [two] unannounced inspections of each facility.
- 25 (b) In order to ensure continuous compliance, the
- 26 commission [department] shall randomly select a sufficient
- 27 percentage of facilities for unannounced inspections to be

- 1 conducted between 5 p.m. and 8 a.m. Those inspections must be
- 2 cursory to avoid to the greatest extent feasible any disruption of
- 3 the residents.
- 4 (c) The <u>commission</u> [department] may require additional
- 5 inspections.
- 6 (d) As considered appropriate and necessary by the
- 7 <u>commission</u> [department], the <u>commission</u> [department] may invite at
- 8 least one person as a citizen advocate to participate in
- 9 inspections. The invited advocate must be an individual who has an
- 10 interest in or who is employed by or affiliated with an organization
- 11 or entity that represents, advocates for, or serves individuals
- 12 with an intellectual disability or a related condition.
- 13 SECTION 15. Section 252.065, Health and Safety Code, is
- amended by amending Subsections (a), (b), (e), (f), (i), and (j) and
- 15 adding Subsections (1) and (m) to read as follows:
- 16 (a) The <u>commission</u> [<u>department</u>] may assess an
- 17 administrative penalty against a person who:
- 18 (1) violates this chapter or a rule, standard, or
- 19 order adopted or license issued under this chapter;
- 20 (2) makes a false statement, that the person knows or
- 21 should know is false, of a material fact:
- 22 (A) on an application for issuance or renewal of
- 23 a license or in an attachment to the application; or
- 24 (B) with respect to a matter under investigation
- 25 by the commission [department];
- 26 (3) refuses to allow a representative of the
- 27 <u>commission</u> [department] to inspect:

- 1 (A) a book, record, or file required to be
- 2 maintained by the institution; or
- 3 (B) any portion of the premises of an
- 4 institution;
- 5 (4) wilfully interferes with the work of a
- 6 representative of the commission [department] or the enforcement of
- 7 this chapter;
- 8 (5) wilfully interferes with a representative of the
- 9 <u>commission</u> [department] preserving evidence of a violation of this
- 10 chapter or a rule, standard, or order adopted or license issued
- 11 under this chapter;
- 12 (6) fails to pay a penalty assessed by the <u>commission</u>
- 13 [department] under this chapter not later than the 10th day after
- 14 the date the assessment of the penalty becomes final;
- 15 (7) fails to submit a plan of correction within 10 days
- 16 after receiving a statement of licensing violations; or
- 17 (8) fails to notify the <u>commission</u> [department] of a
- 18 change in ownership before the effective date of that change of
- 19 ownership.
- (b) The penalty for a facility with fewer than 60 beds shall
- 21 be not less than \$100 or more than \$1,000 for each violation. The
- 22 penalty for a facility with 60 beds or more shall be not less than
- 23 \$100 or more than \$5,000 for each violation. [The total amount of
- 24 the penalty assessed for a violation continuing or occurring on
- 25 separate days under this subsection may not exceed \$5,000 for a
- 26 facility with fewer than 60 beds or \$25,000 for a facility with 60
- 27 beds or more. Each day a violation occurs or continues is a

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separate violation for purposes of imposing a penalty.
 2
          (e) The executive commissioner by rule shall provide the
 3
    facility with a reasonable period of time, not less than 45 days,
    following the first day of a violation to correct the violation
 4
   before the commission [department] may assess an administrative
   penalty if a plan of correction has been implemented.
 6
 7
    subsection does not apply to a violation described by Subsections
 8
    (a)(2)-(8) or to a violation that the commission [department]
 9
    determines:
10
               (1)
                    represents a pattern of violation that results
    [has resulted] in actual [serious] harm [to or the death of
11
   resident];
12
13
               (2) is widespread in scope and results in actual harm;
14
               (3) is widespread in scope, constitutes a potential
15
   for actual harm, and relates to:
16
                    (A) staff treatment of a resident;
17
                    (B)
                        active treatment;
18
                    (C) client behavior and facility practices;
19
                    (D) health care services;
20
                    (E) drug administration;
21
                    (F) infection control;
22
                    (G) food and nutrition services; or
23
                    (H) emergency preparedness and response;
24
               (4) [(2)] constitutes an immediate [a \text{ serious}] threat
25
    to the health or safety of a resident; or
               (5) [(3)] substantially limits
26
                                                   the
                                                           facility's
27
    [institution's] capacity to provide care.
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- 1 (f) The <u>commission</u> [<u>department</u>] may not assess an
- 2 administrative penalty for a minor violation if the person corrects
- 3 the violation not later than the 46th day after the date the person
- 4 receives notice of the violation.
- 5 (i) The commission [department] may not assess an
- 6 administrative penalty against a state agency.
- 7 (j) Notwithstanding any other provision of this section, an
- 8 administrative penalty ceases to be incurred on the date a
- 9 violation is corrected. The administrative penalty ceases to be
- 10 incurred only if the facility:
- 11 (1) notifies the <u>commission</u> [department] in writing of
- 12 the correction of the violation and of the date the violation was
- 13 corrected; and
- 14 (2) shows later that the violation was corrected.
- 15 (1) The commission shall develop and use a system to record
- 16 and track the scope and severity of each violation of this chapter
- 17 or a rule, standard, or order adopted under this chapter for the
- 18 purpose of assessing an administrative penalty for the violation or
- 19 taking some other enforcement action against the appropriate
- 20 facility to deter future violations. The system:
- (1) must be comparable to the system used by the
- 22 Centers for Medicare and Medicaid Services to categorize the scope
- 23 and severity of violations for nursing homes; and
- (2) may be modified, as appropriate, to reflect
- 25 changes in industry practice or changes made to the system used by
- 26 the Centers for Medicare and Medicaid Services.
- 27 (m) In this section:

```
1
               (1) "Actual harm" means a negative outcome that
   compromises a resident's physical, mental, or emotional
2
3
   well-being.
4
               (2)
                    "Immediate threat to the health or safety of a
5
   resident" means a situation that causes, or is likely to cause,
   serious injury, harm, or impairment to or the death of a resident.
6
7
               (3) "Pattern of violation" means repeated, but not
8
   pervasive, failures of a facility to comply with this chapter or a
   rule, standard, or order adopted under this chapter that:
9
10
                    (A) result in a violation; and
11
                    (B) are found throughout the services provided by
12
   the facility or that affect or involve the same residents or
13
   facility employees.
14
               (4) "Widespread in scope" means a violation of this
15
   chapter or a rule, standard, or order adopted under this chapter
16
   that:
                    (A) is pervasive throughout the services
17
   provided by the facility; or
18
19
                    (B) that affects or has the potential to affect a
20
   large portion of or all of the residents of the facility.
         SECTION 16. Subtitle G, Title 4, Health and Safety Code, is
21
22
   amended by adding Chapter 326 to read as follows:
   CHAPTER 326. STAFFING REQUIREMENTS FOR FACILITIES PROVIDING CARE TO
23
24
          PERSONS WITH ALZHEIMER'S DISEASE OR RELATED DISORDERS
          Sec. 326.001. DEFINITIONS. In this chapter:
25
26
               (1) "Commission" means the Health and Human Services
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Commission.

1	(2) "Facility" means:
2	(A) a nursing facility licensed under Chapter
3	<u>242;</u>
4	(B) a continuing care facility regulated under
5	Chapter 246;
6	(C) an assisted living facility licensed under
7	Chapter 247;
8	(D) a day activity and health services facility
9	licensed under Chapter 103, Human Resources Code;
10	(E) an establishment subject to Chapter 105,
11	Human Resources Code;
12	(F) a community home qualified under Chapter 123,
13	Human Resources Code; and
14	(G) an adult foster care provider that contracts
15	with the commission.
16	Sec. 326.002. WRITTEN POLICY REQUIRED. A facility shall
17	adopt, implement, and enforce a written policy that:
18	(1) requires a facility employee who provides direct
19	care to a person with Alzheimer's disease or a related disorder to
20	successfully complete training in the provision of care to persons
21	with Alzheimer's disease and related disorders; and
22	(2) ensures the care and services provided by a
23	facility employee to a person with Alzheimer's disease or a related
24	disorder meet the specific identified needs of the person relating
25	to the person's diagnosis of Alzheimer's disease or a related
26	disorder.
27	Sec. 326.003. ENFORCEMENT. (a) The commission may assess

- 1 an administrative penalty against a facility for a violation of
- 2 Section 326.002.
- 3 (b) The commission is not required to provide a facility an
- 4 opportunity to correct a second or subsequent violation of Section
- 5 326.002 that occurs before the second anniversary of the date of the
- 6 first violation.
- 7 (c) A violation of Section 326.002 constitutes a violation
- 8 of the law regulating a facility, and the commission may initiate
- 9 for the violation any other enforcement action authorized by that
- 10 law against the facility, including an adult foster care facility
- 11 with three or fewer beds.
- Sec. 326.004. RULES. The executive commissioner shall
- 13 adopt rules related to the administration and implementation of
- 14 this chapter.
- 15 SECTION 17. Section 103.003, Human Resources Code, is
- 16 amended by amending Subdivision (1) and adding Subdivisions (1-a)
- 17 and (4-b) to read as follows:
- 18 (1) "Commission" means the Health and Human Services
- 19 Commission.
- 20 <u>(1-a)</u> "Day activity and health services facility"
- 21 means a facility that provides services under a day activity and
- 22 health services program on a daily or regular basis but not
- 23 overnight to four or more elderly persons or persons with
- 24 disabilities who are not related by blood, marriage, or adoption to
- 25 the owner of the facility.
- 26 (4-b) "Facility" means a day activity and health
- 27 services facility.

- SECTION 18. Sections 103.006(a) and (b), Human Resources

 Code, are amended to read as follows:
- 3 (a) The <u>commission</u> [<u>department</u>] shall issue a license to
- 4 operate a day activity and health services facility to a person who
- 5 has met the application requirements and received approval after an
- 6 on-site inspection.
- 7 (b) The license expires three [two] years from the date of
- 8 its issuance. The executive commissioner by rule shall [may] adopt
- 9 a system under which licenses expire on staggered [various] dates
- 10 during the three-year [two-year] period. The commission shall
- 11 prorate the license fee as appropriate if the expiration date of a
- 12 license changes as a result of this subsection [For the year in
- 13 which a license expiration date is changed, the department shall
- 14 prorate the license fee on a monthly basis. Each license holder
- 15 shall pay only that portion of the license fee allocable to the
- 16 number of months for which the license is valid. A license holder
- 17 shall pay the total license renewal fee at the time of renewal].
- 18 SECTION 19. Section 103.007, Human Resources Code, is
- 19 amended to read as follows:
- Sec. 103.007. LICENSE APPLICATION. (a) An applicant for a
- 21 license to operate a day activity and health services facility must
- 22 file an application on a form prescribed by the commission
- 23 [department] together with a license fee of \$75 [\$50].
- (b) The applicant must provide evidence of:
- 25 (1) the ability to comply with the requirements of the
- 26 commission [department];
- 27 (2) responsible management; and

- 1 (3) qualified professional staff and personnel.
- 2 (c) A person who operates a facility that is licensed under
- 3 this chapter must file an application for a renewal license not
- 4 later than the 45th day before the expiration date of the current
- 5 license on a form prescribed by the <u>commission</u> [department]
- 6 together with a renewal fee of \$50.
- 7 (d) An applicant for a license renewal who submits an
- 8 application later than the 45th day before the expiration date of
- 9 the license is subject to a late fee in accordance with commission
- 10 [department] rules.
- 11 SECTION 20. Section 103.008, Human Resources Code, is
- 12 amended to read as follows:
- Sec. 103.008. INSPECTIONS. (a) In addition to the
- 14 inspection required under Section 103.006(a), the commission:
- (1) shall inspect each facility every two years
- 16 following the initial inspection required under Section
- 17 103.006(a); and
- 18 <u>(2)</u> [The department] may inspect [enter the premises
- 19 of a facility at other reasonable times as [and make an inspection]
- 20 necessary to ensure compliance with this chapter [issue a license
- 21 or renew a license].
- (b) Any person may request an inspection of a facility by
- 23 notifying the <u>commission</u> [department] in writing of an alleged
- 24 violation of a licensing requirement. The complaint shall be as
- 25 detailed as possible and signed by the complainant. The $\underline{\text{commission}}$
- 26 [department] shall perform an on-site inspection as soon as
- 27 feasible but no later than 30 days after receiving the complaint

- 1 unless after an investigation the complaint is found to be
- 2 frivolous. The commission [department] shall respond to a
- 3 complainant in writing. The commission [department] shall also
- 4 receive and investigate anonymous complaints.
- 5 SECTION 21. Section 103.012, Human Resources Code, is
- 6 amended by amending Subsections (a) and (e) and adding Subsection
- 7 (g) to read as follows:
- 8 (a) The commission [department] may assess an
- 9 administrative penalty against a person who:
- 10 (1) violates this chapter, a rule, standard, or order
- 11 adopted under this chapter, or a term of a license issued under this
- 12 chapter;
- 13 (2) makes a false statement of a material fact that the
- 14 person knows or should know is false:
- 15 (A) on an application for issuance or renewal of
- 16 a license or in an attachment to the application; or
- 17 (B) with respect to a matter under investigation
- 18 by the commission [department];
- 19 (3) refuses to allow a representative of the
- 20 commission [department] to inspect:
- 21 (A) a book, record, or file required to be
- 22 maintained by a day activity and health services facility; or
- (B) any portion of the premises of a day activity
- 24 and health services facility;
- 25 (4) wilfully interferes with the work of a
- 26 representative of the $\underline{\text{commission}}$ [$\underline{\text{department}}$] or the enforcement of
- 27 this chapter;

- 1 (5) wilfully interferes with a representative of the
- 2 <u>commission</u> [department] preserving evidence of a violation of this
- 3 chapter, a rule, standard, or order adopted under this chapter, or a
- 4 term of a license issued under this chapter;
- 5 (6) fails to pay a penalty assessed under this chapter
- 6 not later than the 30th day after the date the assessment of the
- 7 penalty becomes final; or
- 8 (7) fails to notify the <u>commission</u> [<u>department</u>] of a
- 9 change of ownership before the effective date of the change of
- 10 ownership.
- (e) In determining the amount of a penalty, the commission
- 12 [department] shall consider any matter that justice may require,
- 13 including:
- 14 (1) the gradations of penalties established under
- 15 Subsection (d);
- 16 (2) the seriousness of the violation, including the
- 17 nature, circumstances, extent, and gravity of the prohibited act
- 18 and the hazard or potential hazard created by the act to the health
- 19 or safety of the public;
- 20 (3) the history of previous violations;
- 21 (4) the deterrence of future violations; and
- 22 (5) the efforts to correct the violation.
- 23 (g) The commission shall develop and use a system to record
- 24 and track the scope and severity of each violation of this chapter
- 25 or a rule, standard, or order adopted under this chapter for the
- 26 purpose of assessing an administrative penalty for the violation or
- 27 taking some other enforcement action against the appropriate

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facility to deter future violations. The system:
               (1) must be comparable to the system used by the
2
   Centers for Medicare and Medicaid Services to categorize the scope
3
   and severity of violations for nursing homes; and
4
               (2) may be modified, as appropriate, to reflect
5
   changes in industry practice or changes made to the system used by
6
   the Centers for Medicare and Medicaid Services.
7
         SECTION 22. Section 103.013, Human Resources Code,
                                                                   is
8
   amended to read as follows:
9
          Sec. 103.013. RIGHT TO CORRECT BEFORE IMPOSITION
                                                                   OF
10
   ADMINISTRATIVE PENALTY. (a) The commission [department] may not
11
   collect an administrative penalty from a day activity and health
12
    services facility under Section 103.012 if, not later than the 45th
13
    day after the date the facility receives notice under Section
14
    103.014(c), the facility corrects the violation.
15
          (b) Subsection (a) does not apply to:
16
               (1) a violation that the <u>commission</u> [department]
17
    determines:
18
                         represents a pattern of violation that
                    (A)
19
    results in actual [serious] harm [to or death of a person attending
20
    the facility];
21
```

(B) is widespread in scope and results in actual

is widespread in scope, constitutes a

(i) staffing, including staff training,

ratio, and health;

(C)

potential for actual harm, and relates to:

22

23

24

25

26

27

harm;

```
1
                           (ii) administration of medication; or
 2
                           (iii) emergency preparedness and response;
                     (D) [(B)] constitutes an immediate [a serious]
 3
    threat to the health \underline{\text{or}} [\overline{\text{and}}] safety of \underline{\text{an elderly person or a}}
 4
    person with a disability receiving services at a [<del>a person</del>
 5
 6
    attending the ] facility; or
 7
                     (E) [(C)] substantially limits the facility's
 8
    capacity to provide care;
 9
                (2)
                          violation
                                          described by
                                                                Sections
    103.012(a)(2)-(7); [or]
10
11
                (3) a violation of Section 103.011; or
12
                (4) a second or subsequent violation of Section
    326.002, Health and Safety Code, that occurs before the second
13
    anniversary of the date of the first violation.
14
15
          (c) A day activity and health services facility that
    corrects a violation must maintain the correction. If the facility
16
17
    fails to maintain the correction until at least the first
    anniversary after the date the correction was made, the commission
18
    [department] may assess and collect an administrative penalty for
19
    the subsequent violation. An administrative penalty assessed under
20
21
    this subsection is equal to three times the amount of the original
    penalty assessed but not collected. The <a href="commission">commission</a> [department] is
22
    not required to provide the facility with an opportunity under this
23
    section to correct the subsequent violation.
24
25
          (d) In this section:
                (1) "Actual harm" means a negative outcome that
26
27
    compromises the physical, mental, or emotional well-being of an
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- 1 elderly person or a person with a disability receiving services at a
- 2 facility.
- 3 (2) "Immediate threat to the health or safety of an
- 4 elderly person or a person with a disability" means a situation that
- 5 causes, or is likely to cause, serious injury, harm, or impairment
- 6 to or the death of an elderly person or a person with a disability
- 7 receiving services at a facility.
- 8 (3) "Pattern of violation" means repeated, but not
- 9 pervasive, failures of a facility to comply with this chapter or a
- 10 rule, standard, or order adopted under this chapter that:
- 11 (A) result in a violation; and
- 12 (B) are found throughout the services provided by
- 13 the facility or that affect or involve the same elderly persons or
- 14 persons with disabilities receiving services at the facility or the
- 15 same facility employees.
- 16 (4) "Widespread in scope" means a violation of this
- 17 chapter or a rule, standard, or order adopted under this chapter
- 18 <u>that:</u>
- (A) is pervasive throughout the services
- 20 provided by the facility; or
- (B) represents a systemic failure by the facility
- 22 that affects or has the potential to affect a large portion of or
- 23 all of the elderly persons or persons with disabilities receiving
- 24 services at the facility.
- 25 SECTION 23. Section 247.0025, Health and Safety Code, is
- 26 repealed.
- 27 SECTION 24. The changes in law made by this Act apply only

- 1 to actions taken by the Health and Human Services Commission and
- 2 license holders under Chapter 103, Human Resources Code, and
- 3 Chapters 242, 247, 248A, and 252, Health and Safety Code, on or
- 4 after the effective date of this Act. An action taken before the
- 5 effective date of this Act is governed by the law in effect at that
- 6 time, and the former law is continued in effect for that purpose.
- 7 SECTION 25. Chapter 326, Health and Safety Code, as added by
- 8 this Act, does not affect the terms of a contract entered into
- 9 before the effective date of this Act, except that if the contract
- 10 is renewed, modified, or extended on or after the effective date of
- 11 this Act, Chapter 326 applies to the contract beginning on the date

- 12 of renewal, modification, or extension.
- SECTION 26. This Act takes effect September 1, 2017.

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 25, 2017

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2025 by Davis, Yvonne (Relating to the regulation of certain long-term care facilities, including facilities that provide care to persons with Alzheimer's disease or related disorders; authorizing an administrative penalty.), As Passed 2nd House

No significant fiscal implication to the State is anticipated.

The bill would amend portions of the Health and Safety Code to set the expiration date of licenses issued to certain long-term care facilities to the third anniversary of the date the license was issued, require the Health and Human Services Commission (HHSC) to review and develop efficiencies in the methods used to issue informational materials and other materials to a licensed entity, and would require HHSC to develop and implement a system to track the scope and severity of violations of rules and standards regulating certain long-term care facilities that is comparable to the system used by the Centers for Medicare and Medicaid Services (CMS) to categorize the scope and severity of violations for nursing homes. The bill would take effect September 1, 2017.

Based on the LBB's analysis of the Health and Human Services Commission, duties and responsibilities associated with implementing the provisions of the bill could be accomplished utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission, 304 Comptroller of Public

Accounts

LBB Staff: UP, SD, KCA, EP, MDI, LCO

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 18, 2017

TO: Honorable Charles Schwertner, Chair, Senate Committee on Health & Human Services

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2025 by Davis, Yvonne (Relating to the regulation of certain long-term care facilities, including facilities that provide care to persons with Alzheimer 's disease or related disorders; authorizing an administrative penalty.), Committee Report 2nd House, Substituted

No significant fiscal implication to the State is anticipated.

The bill would amend portions of the Health and Safety Code to set the expiration date of licenses issued to certain long-term care facilities to the third anniversary of the date the license was issued, require the Health and Human Services Commission (HHSC) to review and develop efficiencies in the methods used to issue informational materials and other materials to a licensed entity, and would require HHSC to develop and implement a system to track the scope and severity of violations of rules and standards regulating certain long-term care facilities that is comparable to the system used by the Centers for Medicare and Medicaid Services (CMS) to categorize the scope and severity of violations for nursing homes. The bill would take effect September 1, 2017.

Based on the LBB's analysis of the Health and Human Services Commission, duties and responsibilities associated with implementing the provisions of the bill could be accomplished utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission, 304 Comptroller of Public

Accounts

LBB Staff: UP, KCA, EP, MDI, LCO

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 12, 2017

TO: Honorable Charles Schwertner, Chair, Senate Committee on Health & Human Services

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2025 by Davis, Yvonne (Relating to staffing requirements for certain facilities that provide care to persons with Alzheimer's disease or related disorders; authorizing an administrative penalty.), As Engrossed

No significant fiscal implication to the State is anticipated.

The bill would amend the Health and Safety Code to require employees of certain facilities that provide direct care to individuals with Alzheimer's disease or related disorders to complete training in the provision of care to persons with Alzheimer's and related disorders. The bill would authorize the Health and Human Services Commission to assess a penalty against a facility that does not comply with the training requirement. The bill would also require the Health and Human Services Commission to take certain enforcement actions against facilities that violate that requirement, and to adopt rules related to the administration and implementation of the provisions of the bill. The bill would take effect September 1, 2017.

The Health and Human Services Commission indicates that any costs associated with the bill could be absorbed within existing resources. This analysis assumes that any increased revenue associated with the collection of additional penalties would not be significant.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: UP, KCA, EP, MDI

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 2, 2017

TO: Honorable Richard Peña Raymond, Chair, House Committee on Human Services

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2025 by Davis, Yvonne (Relating to staffing requirements for certain facilities that provide care to persons with Alzheimer's disease or related disorders; authorizing an administrative penalty.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Health and Safety Code to require employees of certain facilities that provide direct care to individuals with Alzheimer's disease or related disorders to complete training in the provision of care to persons with Alzheimer's and related disorders. The bill would authorize the Health and Human Services Commission to assess a penalty against a facility that does not comply with the training requirement. The bill would also require the Health and Human Services Commission to take certain enforcement actions against facilities that violate that requirement, and to adopt rules related to the administration and implementation of the provisions of the bill. The bill would take effect September 1, 2017.

The Health and Human Services Commission indicates that any costs associated with the bill could be absorbed within existing resources. This analysis assumes that any increased revenue associated with the collection of additional penalties would not be significant.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: UP, KCA, EP, MDI

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 27, 2017

TO: Honorable Richard Peña Raymond, Chair, House Committee on Human Services

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2025 by Davis, Yvonne (Relating to staff requirements for certain facilities that provide care to persons with Alzheimer's disease or dementia.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Health and Safety Code to require certain facilities that provide care to individuals with Alzheimer's disease or dementia to employ at least one individual with training or experience in providing care to an individual with Alzheimer's disease or dementia. The bill would also require the Health and Human Services Commission to take certain enforcement actions against facilities that violate that requirement. The bill would take effect September 1, 2017.

The Health and Human Services Commission indicates that any costs associated with the bill could be absorbed within existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: UP, KCA, EP, MDI